....
(Original Signature of Member)

115TH CONGRESS
2D SESSION

H. R. _____

To reduce and minimize the credit, guarantee, and insurance risk of all Federal Government programs by transferring such risk to the private sector at market terms, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. ROYCE of California introduced the following bill; which was referred to the Committee on _____

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A BILL

To reduce and minimize the credit, guarantee, and insurance risk of all Federal Government programs by transferring such risk to the private sector at market terms, and for other purposes.

1　　*Be it enacted by the Senate and House of Representa-*

2　*tives of the United States of America in Congress assembled,*

3　**SECTION 1. SHORT TITLE.**

4　　This Act may be cited as the "Government Risk and

5　Taxpayer Exposure Reduction Act of 2018" or the

6　"GRATER Act of 2018".

1 **SEC. 2. POLICY.**

2   (a) MINIMIZATION OF GOVERNMENT RISK.—It is the
3 policy of the United States to reduce and minimize the
4 credit, guarantee, and insurance risk of Federal Govern-
5 ment programs in all departments and agencies on an on-
6 going basis to the maximum extent possible by transfer-
7 ring all such risk to the private sector at market terms
8 through a variety of financial instruments in a sustained
9 and transparent manner.

10   (b) USE OF PRIVATE RISK CAPACITY.—In the devel-
11 opment and administration of Federal Government pro-
12 grams and awards in all departments and agencies, it is
13 the policy of the United States to utilize to the maximum
14 extent possible, the use of private risk capacity, consistent
15 with the goals and purposes of such programs and awards.

16 **SEC. 3. STRATEGY AND IMPLEMENTATION.**

17   (a) PLAN.—Notwithstanding any other provision of
18 law, each department and agency of the Federal Govern-
19 ment responsible for the administration of any credit,
20 guarantee, or insurance program shall, for each fiscal
21 year, develop and implement a strategy and implementa-
22 tion plan for such program to transfer, to the maximum
23 extent possible, all such credit , guarantee, and insurance
24 risk to the private sector at market terms through a vari-
25 ety of financial instruments in a sustained and trans-
26 parent manner. The initial strategy and implementation

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1 plan, after a 60-day period of public comment, shall be
2 published in the Federal Register not later than the expi-
3 ration of the 6-month period beginning on the date of the
4 enactment of this Act.

5   (b) USE OF PRIVATE INSURANCE RISK CAPACITY.—
6 Any department or agency of the Federal Government
7 that is responsible for the administration and award of
8 any grants or aid shall, in setting the terms of each new
9 award, seek to utilize or encourage the development of,
10 to the maximum extent possible, insurance risk capacity
11 in the private sector both in the United States and in any
12 non-United States economy that is the recipient or host
13 to such grant or aid, at market terms through a variety
14 of financial instruments in a sustained and transparent
15 manner. The strategy and implementation plans required
16 in subsection (a) shall address the utilization and develop-
17 ment of private risk capacity in program and award devel-
18 opment and administration.

19 **SEC. 4. REPORTING.**

20   Each department and agency referred to in section
21 3 shall submit the strategy and implementation plan devel-
22 oped for each fiscal year pursuant to such section to the
23 Director of the Office of Management and Budget. For
24 each fiscal year, the Director shall compile a list of all
25 credit, guarantee, and insurance risk transfer programs

1 of departments and agencies of the Federal Government

2 and submit such list to the President and the Congress

3 together with a summary of the success to date of each

4 such program, the current and aggregate totals of credit

5 risk transferred since the date of the enactment of this

6 Act, and any recommendations to enhance or expand such

7 programs.